

NOTE: The exchange began at 11:27 a.m. in the Oval Office at the White House. A tape was not available for verification of the content of this exchange.

Statement on the NATO Foreign Ministers Meeting *December 19, 2000*

I am very pleased with the outcome of NATO's foreign ministers meeting in Brussels last week. Secretary Albright and her NATO colleagues reaffirmed the Alliance's commitment to peace, democracy, and respect for human rights throughout southeast Europe. They also reviewed the important progress we have made towards meeting our April 1999 Washington summit commitments—including improving our defense capabilities, increasing efforts against weapons of mass destruction, and reviewing the enlargement process at our next summit, to take place no later than 2002. I applaud the selection of Prague as the site for the next NATO summit. The Czech Republic under President Havel has been a driving force in the continued integration of Europe.

Working closely with the EU, NATO also has advanced the goals we set at the Washington

summit for strengthening European defense capabilities. I welcome the agreement at the EU's Nice summit to improve Europe's ability to act in times of crises and to put arrangements in place for close collaboration with NATO. NATO Defense and Foreign Ministers also acted to establish a strategic partnership with the EU. These efforts will strengthen NATO's European pillar, promote the EU's ability to manage crises where NATO is not engaged, and reinforce our transatlantic ties.

We still have work to do to implement these arrangements and strengthen the habits of co-operation that have been NATO's hallmark since the end of the cold war. The United States looks forward to working with our European allies and partners to enhance our partnership and advance our common goals.

Memorandum of Disapproval for Bankruptcy Reform Legislation *December 19, 2000*

I have withheld my approval of H.R. 2415, the Bankruptcy Reform Act of 2000. I firmly believe that Americans would benefit from bankruptcy reform legislation that would stem abuse of the bankruptcy system by, and encourage responsibility of, debtors and creditors alike. Unfortunately, this bill is not balanced reform and it omits critical language to require accountability and responsibility from those who unlawfully bar access to legal health services. I hope the next Congress can work in a bipartisan spirit to enact balanced legislation.

Over the past several months, my Administration has engaged in a good faith effort to reach agreement with the bill's proponents on a number of outstanding issues. With this goal in mind, we have pursued negotiations notwithstanding my deep concern that the bill failed

to address some creditor abuses and also unnecessarily disadvantaged all debtors to stem abuses by a few.

An agreement was reached in those negotiations on an essential issue—limiting homestead exemptions—with compromises made on both sides. Unfortunately, H.R. 2415 fails to incorporate that agreement, instead reverting to a provision that my Administration has repeatedly said was fundamentally flawed and contrary to the central premise of this legislation: that debtors who truly have the capacity to repay a portion of their debts do so. The agreement would have benefited not only those debtors' creditors but also all other debtors through lower credit costs. In contrast, the current bill's unlimited homestead exemptions allow debtors who own lavish homes to shield their mansions from their